STATEMENT OF CONSIDERATIONS

REQUEST BY INTERNATIONAL FUEL CELLS CORPORATION (IFC) FOR AN ADVANCED WAIVER OF DOMESTIC AND FOREIGN INVENTION RIGHTS UNDER COOPERATIVE AGREEMENT NO. DE-FC36-97GO10211, W(A)-97-018, CH-0926

The Petitioner, IFC, was awarded this cooperative agreement in response to a proposal for a feasibility study for a hydrogen fueled portable electric generator to compete with mid to large size batteries and small to mid size internal combustion engines.

The initial phase of this work is being performed under DOE Contract No. DE-FC36-97GO10211. IFC has requested a waiver of domestic and foreign patent rights for all subject inventions under this agreement.

As brought out in IFC's response to question 3, the total estimated cost of the project is $300,000 with IFC paying 50% ($150,000) and DOE providing the balance.

In response to questions 7 and 9, IFC states that PEM fuel cell power plants do not represent an established commercial market for power generation. Any successful commercialization will be an added benefit to the energy market in general and the electric power generating equipment market in particular. PEM fuel cell power plants would be competitors to batteries and small internal combustion engines and their commercialization would offer an alternative technology in this market and stimulate competition.

In response to question 8, IFC states that commercialization will require an ongoing program to attract additional private venture risk capital. Patent ownership is an important consideration to potential investors. Approval of the advanced waiver petition would strengthen IFC's patent portfolio and provide an additional incentive for investment by private investors.

The Petitioner has agreed to the standard patent waiver provisions including march in rights, U.S. preference, and U.S. government license provided in 35 U.S.C. § 202-204. Additionally, the Petitioner has agreed that products embodying any waived invention or produced through the use of waived invention will be manufactured substantially in the United States unless the recipient demonstrates to the satisfaction of DOE, that it is not commercially feasible to do so as well as the usual background patent provisions and third party data licensing provisions.

Considering the foregoing, it is believed that granting a waiver will provide the Petitioner with the necessary incentive to invest its resources in the commercialization of the results of the agreement in a fashion which will make the agreement's benefits available to the public in the shortest practical time. In addition, it would appear that the grant of the above requested waiver would not result in an adverse effect on competition nor result in excessive market concentration. Therefore, in view of the objectives and considerations set forth in 10 CFR § 784, all of which have been considered, it is recommended that the requested waiver, as set forth above, be granted.

[redacted]

Thomas G. Anderson
Assistant Chief Counsel
Office of Intellectual Property Law

Date: 10/14/97

[redacted]

Joy Alwan
Patent Attorney
Office of Intellectual Property Law

Date: 10/14/97

Based on the foregoing Statement of Considerations and the representations in the attached waiver petition, it is determined that the United States and the general public will best be served by a waiver of rights of the scope described above, and therefore the waiver is granted. This waiver shall not apply to any modification or extension of this agreement, where through such modification or extension, the purpose, scope, or cost of the agreement is substantially altered.

CONCURRENCE:

[redacted]

Neil P. Rossmeissl
Hydrogen Program Manager
EE-13 FORS

Date: 10/30/97

APPROVAL:

[redacted]

Paul A. Gottlieb
Assistant General Counsel
for technology Transfer and
Intellectual Property

Date: 10-30-97

cc: Mr. John R. Golovach, Golden Operations Office

WAIVER ACTION - ABSTRACT

W(I)-97-018 (CH-0926)

REQUESTOR	CONTRACT SCOPE OF WORK	RATIONALE FOR DECISION	DISPOSITION
International Fuel Cells Corp. DE-FC36-97GO10211	Study feasibility of a hydrogen fueled Portable electric generators	50% Cost Share	